

AGENDA



Thursday, December 18, 2008

**Neighborhood Planning & Zoning
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 33

Subject: Approve an ordinance to amend the City boundaries to include approximately 45 acres referred to as the Lost Creek Commercial Property, in accordance with the Strategic Partnership Agreement between the City of Austin and the Lost Creek Municipal Utility District (located in Travis County west of Capital of Texas Highway west of the intersection of Lost Creek Boulevard and Capital of Texas Highway).

Amount and Source of Funding: Funding necessary to provide general governmental services to this tract is available in the budgets of the departments which will be providing the services.

For More Information: Virginia Collier, 974-2022; Jackie Chuter, 974-2613; Sylvia Arzola, 974-6448.

Prior Council Action: September 27, 2007 - The City Council confirmed arbitrator's award.

February 14, 2008 - The City Council approved an Agreed Final Judgment in Lost Creek Municipal Utility District v. City of Austin, et al, Cause No. D-1-GN-001377, in the 126th Judicial District Court, Travis County, agreeing to Strategic Partnership Agreement and settling related matters.

The Lost Creek annexation area was included in the City's Municipal Annexation Plan ("MAP") on December 15, 2005. The Lost Creek Commercial annexation area includes approximately 45 acres in Travis County located west of Capital of Texas Highway west of the intersection of Lost Creek Boulevard and Capital of Texas Highway. The area is bounded by the existing full purpose City limits on the south and the balance of the Lost Creek MUD on the west. This annexation area is currently in the City's limited purpose jurisdiction.

On August 28, 2007, and August 29, 2007, the City of Austin and Lost Creek Municipal Utility District (MUD) participated in an arbitration proceeding concerning a Strategic Partnership Agreement ("SPA") between the City and the District in accordance with the provisions of Texas Local Government Code Chapter 43. On August 31, 2007, the arbitrator issued a decision approving the City's offer as the Strategic Partnership Agreement between the City and the District. Lost Creek MUD appealed the arbitrator's ruling to state district court, and on January 15, 2008, Travis County District Judge Covington confirmed the Arbitration Award.

In February 2008, the City and the MUD approved an Agreed Final Judgment which states that the commercial tracts within the MUD will now be annexed for full purposes effective December 31, 2008, rather than December 31, 2007, as stated in the confirmed Strategic Partnership Agreement. At this point all of the steps in the process have been completed and annexation is scheduled for final approval December 11, 2008 with an effective date of December 31, 2008.